

Message Text

SECRET

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ACTION ARA-10

INFO OCT-01 ISO-00 SS-15 /026 W

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P 202141Z AUG 76

FM AMEMBASSY LIMA

TO SECSTATE WASHDC PRIORITY 1487

S E C R E T SECTION 1 OF 2 LIMA 7621

ARA/AND/P FOR AMBASSADOR DEAN

E.O. 11652: GDS

TAGS: PFOR, MASS, PINT, PE

SUBJECT: GOP ARMS INVENTORY AND PROJECTED PURCHASES

REF: LIMA 1552

SUMMARY: THIS CABLE TRANSMITS A COUNTRY TEAM ESTIMATE COMPLETED AUGUST 20 OF MAJOR MILITARY LINE ITEMS OF EQUIPMENT AND MATERIEL ON HAND IN THE PERUVIAN ARMED FORCES PLUS AN ESTIMATE (BASED PARTIALLY ON FACT BUT PRIMARILY CONJECTURE) OF NEAR FUTURE PROCUREMENTS. TEXT OF CABLE INCLUDES A BRIEF ANALYSIS OF GOP ARMS PURCHASE CONSIDERATIONS. END SUMMARY.

1. THE TABLES IN THIS CABLE LIST (IN GENERALIZED TERMS) MILITARY EQUIPMENT ON HAND IN THE PERUVIAN ARMED FORCES AND POSSIBLE FUTURE PURCHASES. THE SOURCE OF EQUIPMENT EITHER ON HAND OR PROJECTED IS SHOWN AS "U.S.", "SOVIET" OR "OTHER". SOURCE OF IMPORTANT "OTHER" PURCHASES, SUCH AS MIRAGE JETS, IS DESIGNATED IN A PARENTHESIS FOLLOWING THE ITEM.

2. THE INVENTORY BREAKDOWN BY SERVICE BRANCH AND SUPPLY SOURCE DEMONSTRATES THE OBVIOUS; SOVIET PURCHASES ARE CONCENTRATED IN THE ARMY ALTHOUGH THE AIR FORCE HAS PURCHASED 8 SOVIET HELICOPTERS AND IS NEGOTIATING A POSSIBLE MAJOR PURCHASE OF FIGHTER AIRCRAFT, AS WELL MORE HELICOPTERS. THE NAVY HAS NO SOVIET EQUIPMENT ON HAND AND OUR ESTIMATE IS THAT IT PRESENTLY INTENDS TO BUY NONE.

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3. U.S. PURCHASES IN INVENTORY HAVE BEEN SPREAD OUT OVER MORE

THAN 20 YEARS, WHILE SOVIET AND OTHER (PRIMARILY FRENCH) PURCHASES ARE MORE RECENT. ALTHOUGH TOTAL U.S. SALES FAR EXCEED SOVIET SALES, THE PURCHASE PATTERN HAS ALTERED DRASTICALLY IN RECENT YEARS. IN THE PERIOD FROM 1974-76 (INCLUDES T-55 TANK ACQUISITION), WE ESTIMATE THAT THE PERUVIAN ARMY PURCHASED CLOSE TO 500 MILLION DOLLARS OF MILITARY EQUIPMENT FROM THE SOVIET UNION AND A LITTLE OVER 46 MILLION FROM THE U.S. PURCHASES FROM OTHER COUNTRIES AMOUNTED TO 31 MILLION DOLLARS. THESE FIGURES DO NOT TAKE INTO ACCOUNT TRAINING COSTS ASSOCIATED WITH FOREIGN MILITARY PURCHASES. OVER 1000 PERUVIAN ARMY OFFICERS HAVE TRAINED IN THE SOVIET UNION IN THE PAST SEVERAL YEARS (THERE ARE SAID TO BE OVER 300 THERE NOW TRAINING ON SURFACE TO AIR MISSILE SYSTEMS) AND DOZENS OF SOVIETS ADVISORS ARE IN PERU. THE U.S. TRAINING PROGRAM IS FAR MORE MODEST.

4. WHY THE SHIFT TO SOVIET EQUIPMENT IN THE ARMY AND WHY HAS THE AIR FORCE UNDERTAKEN TO PRESS FOR A MAJOR PURCHASE OF SOVIET FIGHTER AIRCRAFT? THE ANSWERS ARE WELL-KNOWN. IN THE CASE OF TANKS, UNAVAILABILITY OF U.S. EQUIPMENT WAS COUPLED WITH EXCELLENT SOVIET TERMS OF SALE. ADDED TO THIS WAS PERCEIVED GOP NEED TO INCREASE NATIONAL INDEPENDENCE AND DECREASE DEPENDENCY ON THE U.S. IN ARMS PURCHASES AS WELL AS IN FOREIGN POLICY. THE OBJECTIVE WAS OUTLINED IN THE PLAN INCA. ESTABLISHMENT OF DIPLOMATIC RELATIONS WITH THE SOVIET UNION IN 1969 AND CUBA IN 1972 WAS FOLLOWED BY EXPANDING TIES IN ALL FIELDS INCLUDING MILITARY COOPERATION. RECENT POLITICAL CHANGES AND DEEMPHASIS OF THE PLAN INCA COULD REDUCE THE POSSIBILITY OF SOVIET PURCHASES. HOWEVER, EVEN CONSERVATIVE GENERALS WILL CONSIDER SOVIET EQUIPMENT IN ORDER TO UPGRADE THEIR FORCES. EASY FINANCING TERMS OFFERED BY SOVIETS MAKE THIS OPTION ECONOMICALLY ATTRACTIVE.

5. CONTINUING ARMS PURCHASES AND CONTEMPLATED FUTURE ACQUISITIONS INCLUDING ITALIAN FRIGATES (WORTH OVER 200 MILLION DOLLARS) AND A POSSIBLE SOVIET AIRCRAFT DEAL (250-300 MILLION DOLLARS) STEM FROM THE DESIRE TO MODERNIZE PERUVIAN ARMED FORCES. EACH MILITARY SERVICE SEEKS TO CONSIDER ITS NEEDS IN AN INDEPENDENT MANNER WITH LITTLE OVERALL INTERSERVICE COORDINATION. IT APPEARS THAT THE CABINET AND THE PRESIDENT ARE STILL SOMEWHAT RELUCTANT TO IMPOSE RESTRAINTS ON INDIVIDUAL SERVICES

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IN MATTERS SPECIFICALLY PERTAINING TO THEM (LIMA 7552). THIS INCLUDES ARMS PURCHASES. THEREFORE, OVERALL GOP POLICY CONSIDERATIONS, SUCH AS THE IMPACT OF ARMY PURCHASES ON AN ECONOMY IN CRISIS OR FOREIGN POLICY IMPLICATIONS, MAY PLAY ONLY A TANGENTIAL ROLE IN DETERMINING PURCHASES. RECENT POLITICAL DEVELOPMENTS DEMONSTRATING POLITICAL TENSIONS WITHIN THE USUALLY POLITICALLY DOMINANT ARMY COULD TEND TO INCREASE THE INDEPENDENCE OF THE NAVY AND AIR FORCE, PERHAPS REDUCING GOP

ABILITY TO IMPOSE RESTRICTIONS ON THE SEPARATE SERVICES.

6. RESTRAINT IS ALSO HAMPERED BY THE MILGOV PREOCCUPATION WITH NATIONAL SECURITY AND A POTENTIAL CHILEAN THREAT. THE GOP IS APPARENTLY CONVINCED THAT IT MUST ACHIEVE QUALITATIVE SUPERIORITY IN MILITARY EQUIPMENT, IF IT IS TO PROTECT ITS INTERESTS IN NEGOTIATIONS ON A BOLIVAN OUTLET TO THE SEA AND OTHER MATTERS. THEREFORE, NATIONAL SECURITY CONSIDERATIONS INCLUDING ARMS PURCHASES OFTEN TAKE PRECEDENCE OVER ECONOMIC DEVELOPMENT NEEDS.

7. IN SPITE OF FOREGOING CONSIDERATIONS, ECONOMIC REALITY SHOULD BRING ABOUT SOME REAPPRAISAL AND REDUCE PROJECTED PURCHASES. INTERNATIONAL FINANCIAL PRESSURES ALREADY SEEM TO BE HAVING SOME IMPACT, AT LEAST IN CAUSING A "SECOND LOOK" BEFORE EMBARKING ON THE MAJOR SOVIET AIRCRAFT PURCHASE.

NOTE BY OC/T: REF LIMA 1552 BELIEVED TO BE LIMA 7552.

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INFO OCT-01 ISO-00 SS-15 /026 W

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FM AMEMBASSY LIMA

TO SECSTATE WASHDC PRIORITY 1488

S E C R E T SECTION 2 OF 2 LIMA 7621

ARA/AND/P FOR AMBASSADOR DEAN

ESTIMATE OF MAJOR MILITARY LINE ITEMS OF EQUIPMENT AND MATERIEL

-- PERUVIAN ARMY

TOTAL US:

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| | | |
|-----------|-----|------------|
| TANKS | 408 | 85 (WWII) |
| APC | 302 | 155 (M113) |
| ARTILLERY | | |

| | | |
|-------------------------|--------|------------------------|
| FIELD | 377 | 214 |
| AIR DEFENSE | 158 | 56 (37MM AND 40 MM) |
| ANTI TANK | 2,581 | 182 (RECOILLESS RIFLES |
|) | | |
| MISSILES/LAUNCHERS | | |
| SURFACE TO AIR MISSILES | 274 | 0 |
| VEHICLES | | |
| CARGO | 12,775 | 8,990 |
| SPECIAL PURPOSE | 342 | 115 |
| HELICOPTERS | 38 | 0 |

OTHER SOVIET

| | | |
|--------|----------------|-----------|
| TANKS | 108(FR AMX-13) | 215(T-55) |
| SECRET | | |

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APC 135(UR4 1G GR) 12(BTR-50,9P122)

ARTILLERY

FIELD 91 72

AIR DEFENSE 58 44(ZSU-23-4)

ANTI TANK 400(SS-11 FR) 99(SAGGER)

MISSILES/LAUNCHERS 1,900(COBRA GR)

SURFACE TO AIR

MISSILES 0 4(SAM-3)

(SAM) UNK SAM-6

VEHICLES

CARGO 3,720 65

SPECIAL PURPOSE UNK 227

HELICOPTERS 8(ALOUETTE II FR) 30(MI-8)

ESTIMATE OF FUTURE ACQUISITIONS -- PERUVIAN ARMY

TANKS M60(QUANTITY UNK) UNK 85(T-55)

APC 182(M113) 0 0

ARTILLERY

MISSILES/LAUNCHERS

SURFACE-TO-AIR MISSILES REPLACEMENT OF MISSILES USED FOR TRAINING

(SAM)

VEHICLES

CARGO REPLACEMENT VEHICLES

SPECIAL PURPOSE REPLACEMENT VEHICLES

HELICOPTERS 100 (MIX OF UHID, COBRA, LOH, 30 UHN)

ESTIMATE OF MAJOR MILITARY LINE ITEMS OF EQUIPMENT AND MATERIEL

-- PERUVIAN NAVY

U.S. OTHER SOVIET

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| | | | |
|----------------------------|---|---|---|
| CRUISERS | 0 | 3 | 0 |
| DESTROYER/DESTROYER ESCORT | 4 | 2 | 0 |
| FRIGATE | 0 | 0 | 0 |

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| | | | |
|---------------------------------|----|---|---|
| SUBMARINE | 6 | 2 | 0 |
| PATROL (INCLUDING COAST GUARD) | | | |
| COASTAL | 4 | 7 | 0 |
| RIVER | 0 | 7 | 0 |
| AMPHIBIOUS SHIPS | 5 | 0 | 0 |
| AMPHIBIOUS CRAFT | 5 | 0 | 0 |
| AUXILIARY (CARGO, TANKER, TUGS) | 3 | 5 | 0 |
| AIRCRAFT | 20 | 0 | 0 |
| HELICOPTER | 9 | 3 | 0 |

ESTIMATE OF FUTURE ACQUISITIONS -- PERUVIAN NAVY

| | | | |
|---------------------------------|---|---|---|
| CRUISERS | 0 | 1 | 0 |
| DESTROYER/DESTROYER ESCORT | 1 | 0 | 0 |
| FRIGATE | 0 | 4 | 0 |
| SUBMARINE | 0 | 0 | 0 |
| PATROL (INCLUDING COAST GUARD) | | | |
| COASTAL | 0 | 5 | 0 |
| RIVER | 0 | 0 | 0 |
| AMPHIBIOUS SHIPS | 0 | 0 | 0 |
| AMPHIBIOUS CRAFT | 1 | 0 | 0 |
| AUXILIARY (CARGO, TANKER, TUGS) | 0 | 0 | 0 |
| AIRCRAFT | 0 | 2 | 0 |
| HELICOPTER | 3 | 6 | 0 |

ESTIMATE OF MAJOR MILITARY LINE ITEMS OF EQUIPMENT AND MATERIEL

-- PERUVIAN AIR FORCE

U.S. OTHER SOVIET

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FIGHTERS 24(A-37) 17(FR) 0

BOMBERS 0 19(UK) 0

HELICOPTERS 44 7(FR) 5

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TRANSPORTS 40 0 0

LT TWIN UTILITY 22 19(UK,FR) 0

TRAINING JET 24 0 0

TRAINING LT PROP 53 0 0

ESTIMATE OF FUTURE ACQUISITIONS -- PERUVIAN AIR FORCE

FIGHTERS - - 36

BOMBERS 0 0 0

HELICOPTERS 15 0 12

TRANSPORTS 3 (L 1011) 0 0

LT TWIN UTILITY 5 5 0

TRAINING JET 10 0 0

TRAINING LT PROP 20 10 0

SMITH

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Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MILITARY EQUIPMENT, MILITARY PROCUREMENT, REPORTS, INVENTORY DATA
Control Number: n/a
Copy: SINGLE
Draft Date: 20 AUG 1976
Decapton Date: 01 JAN 1960
Decapton Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: powellba
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976LIMA07621
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760321-0217
From: LIMA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760835/aaaabdqv.tel
Line Count: 304
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: SECRET
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 6
Previous Channel Indicators: n/a
Previous Classification: SECRET
Previous Handling Restrictions: n/a
Reference: 76 LIMA 1552
Review Action: RELEASED, APPROVED
Review Authority: powellba
Review Comment: n/a
Review Content Flags:
Review Date: 21 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <21 JUL 2004 by saccheem>; APPROVED <28 OCT 2004 by powellba>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GOP ARMS INVENTORY AND PROJECTED PURCHASES
TAGS: PFOR, MASS, PINT, PE, US, UR
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006